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[FINAL: Sept. 25

Canada/United States Statement

Remarks Made at Round Table Discussions with EC Ministers
of Agriculture

ICMA Conference - Madrid
September 25, 1991

Chairman, Dr. Pineiro, fellow representatives and distinguished guests. It is my pleasure to act as spokesperson for the North American Region. Our region is composed of the United States and Canada. We have recently put in place the Canada-U.S. Trade Agreement and are currently negotiating a North American Free Trade Agreement with Mexico. On behalf of our two countries, I would like to extend our warmest thanks to Minister [redacted], and to the Secretariat of the Inter-American Institute for Cooperation on Agriculture, for arranging this important dialogue between the Agricultural Ministers of the European Community and the Organization of American States.

At a time when resources are becoming increasingly scarce, it is important that donor countries coordinate their efforts to assist developing countries, both individually and through international organizations such as IICA. We, the countries of the North American Region, pledge to work closely together to achieve this and encourage other donors to do so as well.

We clearly recognize the importance of cooperation in the field of agricultural development, both the kind of multilateral work seen by IICA, and the bilateral programs of our countries. However, our agricultural development objectives will not be fully achieved without fundamental, global trade reform.

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We clearly recognize the importance of cooperation in the field of agricultural development, both the kind of multilateral work overseen by IICA, and the bilateral programs of our countries. However, our agricultural development objectives will not be fully achieved without fundamental, global trade reform.

Five years ago this month, the GATT contracting parties met in Punta del Este to forge an agreement to launch the most comprehensive and ambitious round of multilateral trade negotiations in history.

At the cornerstone of the Punta del Este declaration was the recognition that fundamental reform of global agricultural policies was pivotal to a final agreement.

The timetable set for the conclusion of a Uruguay Round agreement was four years. That deadline has clearly come and gone.

But the resolve to successfully complete an agreement remains strong. It becomes more apparent every day that such basic reform is necessary and critical.

No one could have ever predicted the incredible turn of world events at the time of the Punta del Este meeting. We have seen the democratization of countries in our own hemisphere. The Berlin Wall has fallen. The Central and Eastern European countries have rejected communism and are rapidly adopting market-based economies. And in the past few weeks we have seen historic and remarkable changes taking place in the Soviet Union.

What we have seen through all these events is a tremendous effort of global cooperation. It is now time to muster the political will to cooperatively join together to finish this GATT Round.

How can developing countries and the new emerging democracies ever compete with export subsidies? How can their economies grow, without access to markets?

The costs of these policies are rising to all time highs. Food and grain stocks are growing in some countries to record levels, while there is widespread hunger in others.

The time to begin the fundamental reform process in agricultural policies is now. We cannot afford to wait any longer. Fundamental reform requires market opening; substantial reduction and eventual elimination of export subsidies; the implementation of non-trade distorting domestic support policies; and discipline on sanitary and phytosanitary measures.

As was agreed in Punta del Este, the final agreement will provide for special and differential treatment for developing countries. This will allow developing countries a longer time period to make the necessary adjustments in their agricultural and trade policies.

We recognize also that net-food importing developing countries have special concerns and that these must be elements of the agreement. These are important considerations to some of our hemispheric neighbors participating in this conference.

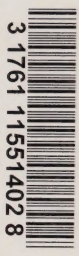
A good GATT agreement in agriculture is the best opportunity for nations around the world, especially developing countries, to improve their economies through the world market.

Policies which restrict the developing world's access to markets and its ability to compete do more than retard economic growth. They also make it difficult to repay international debt and to purchase needed imports. If countries cannot finance imports, their only alternative is to back away from the world market and to strive for self-sufficiency, no matter how costly and counter-productive such actions may be.

The current world agricultural trading system is unsatisfactory. Without a good agreement in agriculture, this situation will further deteriorate creating even more instability and protectionism.

Trade reform is an essential step toward a productive global agriculture that rewards efficient producers, supports agricultural and economic development, and provides consumers with increasing supplies of food and fiber at affordable prices.

It is now time to transform the vision of the Punta del Este declaration into a reality. We must join together in a cooperative and deliberate effort and succeed.



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